



FINANCE, AUDIT & RESOURCES COMMITTEE TERMS OF REFERENCE

Turner Schools is a Multi-Academy Trust (MAT), which exists to advance the education of children.

1. CONSTITUTION

The Governing Board of Directors (“the Board”) has resolved to establish a Finance, Audit & Risk Committee (“the Committee”) in accordance with the provisions of Article 6 of the Articles of Association to advise the Board on matters relating to the Corporation’s audit arrangements and systems of internal control. The Committee will be subject to the provisions of the Standing Orders of the Corporation and its’ Committees (to which specific reference should be made) and shall operate in accordance with any requirements of the Education Funding Agency and any other national funding bodies. It is responsible to the Board.

2. AUTHORITY

The Committee is authorised by the Board to:-

- 2.1 Investigate any activity within its terms of reference.
- 2.2 Seek any information it requires from the financial statements auditor, Directors, Committees and Turner Schools employees, plus relevant information from subcontractors and other third parties.
- 2.3 Obtain external professional advice.
- 2.4 Review and recommend to the Board financial policies
- 2.5 Review financial practice, plans and budgets and make recommendations for continual improvement, value for money and in the interest of improving outcomes for the Trust’s pupils, including recommending or otherwise budgets to the Trust Board.

NB. The Board must not add to these terms of reference responsibilities that require an executive role of the committee in terms of the Audit remit, nor for its members to offer

professional advice to the Board. The Audit function of the committee should seek formal professional opinions from the financial statements auditor or other professional advisers to the Board. Advice should only be given in Committee members' capacity as Governors and co-optees and only within their terms of reference.

3. MEMBERSHIP AND QUORUM

The Board may co-opt persons to the Committee who are not Directors. The Committee shall consist of a minimum of 2 and a maximum of 6 members (of whom at least one shall be a Director and at least one of whom shall have the relevant skills and expertise). The Chair of the Board, Principals, Staff Governors shall not be eligible for membership.

4. CHAIRMANSHIP

The Chair of the Committee shall be appointed by the Board and will probably be a Director to allow effective feedback to the Board. If the Chair is absent from a meeting, the members shall choose one of their number to act as Chair for that meeting.

5. MEETINGS

- 5.1 The Committee shall meet as necessary but normally at least once per long term. The Chair or any two members may call a meeting.
- 5.2 The meetings shall be timely with the work of the Academy's internal finance team and the financial statements auditor.
- 5.3 Non-members may be invited to attend meetings.
- 5.5 The Clerk to the Committee will keep appropriate records of the proceedings.
- 5.6 The minutes of Committee meetings shall be circulated to all Board members.

6. DUTIES

The duties of the Committee shall include:-

- 6.1 Responsibility for monitoring the adequacy and effectiveness of the Trust's systems of internal control arrangements for risk management, control and governance processes and for securing economy, efficiency and effectiveness (value for money).
- 6.2 Advising the Board on the appointment, re-appointment, dismissal and remuneration of the financial statements auditor.
- 6.3 Advising the Board on the scope and objectives of the work of the financial statements auditor.
- 6.4 Considering and advising the Board on audit strategy.
- 6.5 Advising the Board on annual reports and on control issues included in the management

- letters of the financial statements auditor, and management's responses to these.
- 6.6 Monitoring, within an agreed timescale, the implementation of agreed recommendations relating to the financial statements auditor's management letter.
 - 6.7 Trust Management consider and advise the Board on relevant reports by the National Audit Office, the Education Funding Agency (including those from the local provider financial assurance teams) and other funding bodies and, where appropriate, the Finance, Audit and Risk committee's response to these.
 - 6.8 Monitoring the Academy's risk management plan and advising the Board on its adequacy and effectiveness.
 - 6.9 The external Auditors to produce an annual report for the Board and accounting officer which should include the Committee's advice on the effectiveness of the Academy's risk management, control and governance processes and any significant matters arising from the work of the financial statements auditor.
 - 6.10 Monitoring and advising the Board on any alleged fraud and irregularity in the Academy's financial and other control systems and ensuring that all allegations of fraud and irregularity are properly followed up.
 - 6.11 Recommending the annual financial statements to the Board for approval.
 - 6.12 Monitoring the effectiveness of the Academy's whistleblowing procedures meeting privately with the Internal and External Auditors, and separately with the Director of Finance at least once a year.
 - 6.13 Reviewing the financial practices in operation in the Trust
 - 6.14 In order for the Committee to assess financial risks, the finance department to submit for review reports to include at least:
 - Actual income and expenditure for the period to date together with the budget.
 - Balance sheet for the period end together with cashflow
 - Forecast income & expenditure statement for the year end together with the budget
 - Forecast balance sheet for the period end together with forecast cashflow
 - 6.15 Reviewing proposed annual budgets and recommending for approval to the Trust Board